30 April 2018

QUARTERLY ACTIVITIES REPORT
1st Quarter 2018

Australis Oil & Gas Limited
ABN: 34 609 262 937

ASX: ATS

Australis is an upstream oil and gas company seeking to provide shareholders value and growth through the strategic development of its quality onshore oil and gas assets in the United States of America and Portugal.

The Company's acreage within the core of the oil producing TMS provides significant upside potential for ATS with 47 million bbls of 2P reserves including 4 million bbls producing reserves providing free cash flow as well as 98 million bbls of 2C contingent resource.

The Company was formed by the founders and key executives of Aurora Oil & Gas Limited, a team with a demonstrated track record of creating and realising shareholder value.

Address
Level 29, Allendale Square
77 St. Georges Tce
Perth WA 6000 Australia

Suite 3680
3 Allen Center
333 Clay Street
Houston, Texas U.S.A 77002

Contact
Telephone:
+61 8 9220 8700

Facsimile:
+61 8 9220 8799

Email:
contact@australisoil.com

Web:
www.australisoil.com

Large undeveloped economic oil resource provides the platform for significant value generation

Australis Oil and Gas Limited ("Australis" and "Company") is pleased to provide its quarterly activities report for the quarter ended 31 March 2018.

KEY ACTIVITIES AND HIGHLIGHTS

Continued growth in long lease life land position

- 95,000 net acres in the TMS "core" with long lease life terms
- Over 92% of the net acreage now held by production or has a primary term expiry in 2020 or later, allowing full flexibility for development activities

Maiden proved and probable reserves

- 1P reserves of 29 MMbbl and 2P reserves of 47 MMbbl (to date only 35,000 acres (37% of total) assessed for development, equating to 126 future net well locations)[1]
- 95,000 net acres equates to 350 future TMS net well locations (250 acre spacing) with base case NPV10 of US$6.5 million at current oil prices[6]

Stable production with an increased achieved oil price

- Production and sales before royalties of US$8.5 million with a higher achieved oil price for the quarter
- Australis benefits from LLS pricing in the TMS, which traded at a premium to WTI of over $4/bbl during the quarter

Strengthened balance sheet with additional financing on track

- Placement of 115.28 million new shares at A$0.34 each increased cash balance to US$45 million and no debt
- Negotiations for additional financing arrangements to provide further funds for the development activities in 2nd half of 2018 progressing well

Identified drilling locations for initial drilling program

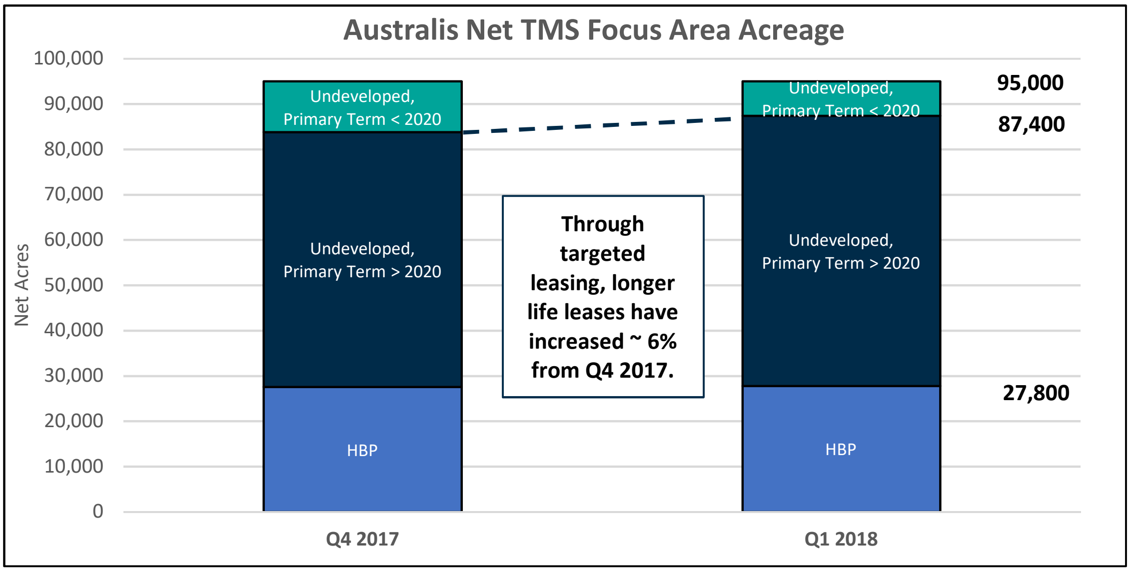
- Preparatory work well advanced with well locations defined and four new units permitted
- Procurement process underway

TUSCALOOSA MARINE SHALE

A Large Strategic Core TMS Acreage Position

Australis continued to consolidate its strategic land position by extending the primary term of lapsed leases on more favourable commercial terms. Of the 95,000 net acres that Australis has leased within the core of the TMS, over 92% are now either held by production or has an expiry in 2020 or later. The position is summarised in the table below:

Australis Net TMS Core Acreage as at 31 March 2018	Net Acres
HBP core acres	27,800
Undeveloped core acreage – primary term > 2020	59,600
Undeveloped core acreage – primary term < 2020	7,600
Total Focus Net Acres within the TMS Core	**95,000**



This quarter, Australis progressed the process of permitting units in preparation for drilling operations. Australis has successfully permitted four drilling units in Amite County, Mississippi and plans a continuous permitting program going forward. The process followed to form these drilling units leads to additional leases being negotiated with mineral right owners which adds to the Australis working interest in the planned wells and the Australis net acreage position within the core of the TMS. Each permit provides Australis with the right, for 12 months, to operate and drill one well within the unit, with the option to apply for multiple well permits in that drilling unit. Australis will continue to permit and retain a number of units and well permits to provide flexibility and contingency for its drilling activities.

The map below shows the acreage position that Australis holds within the TMS Core. The black outlined areas delineate the four units recently permitted by Australis and are likely to be the locations for one or more of the initial Australis drilled wells. These initial locations have been selected on the basis of subsurface high grading, proximity to historical type curve production and maximising the efficiencies of the HBP land program.

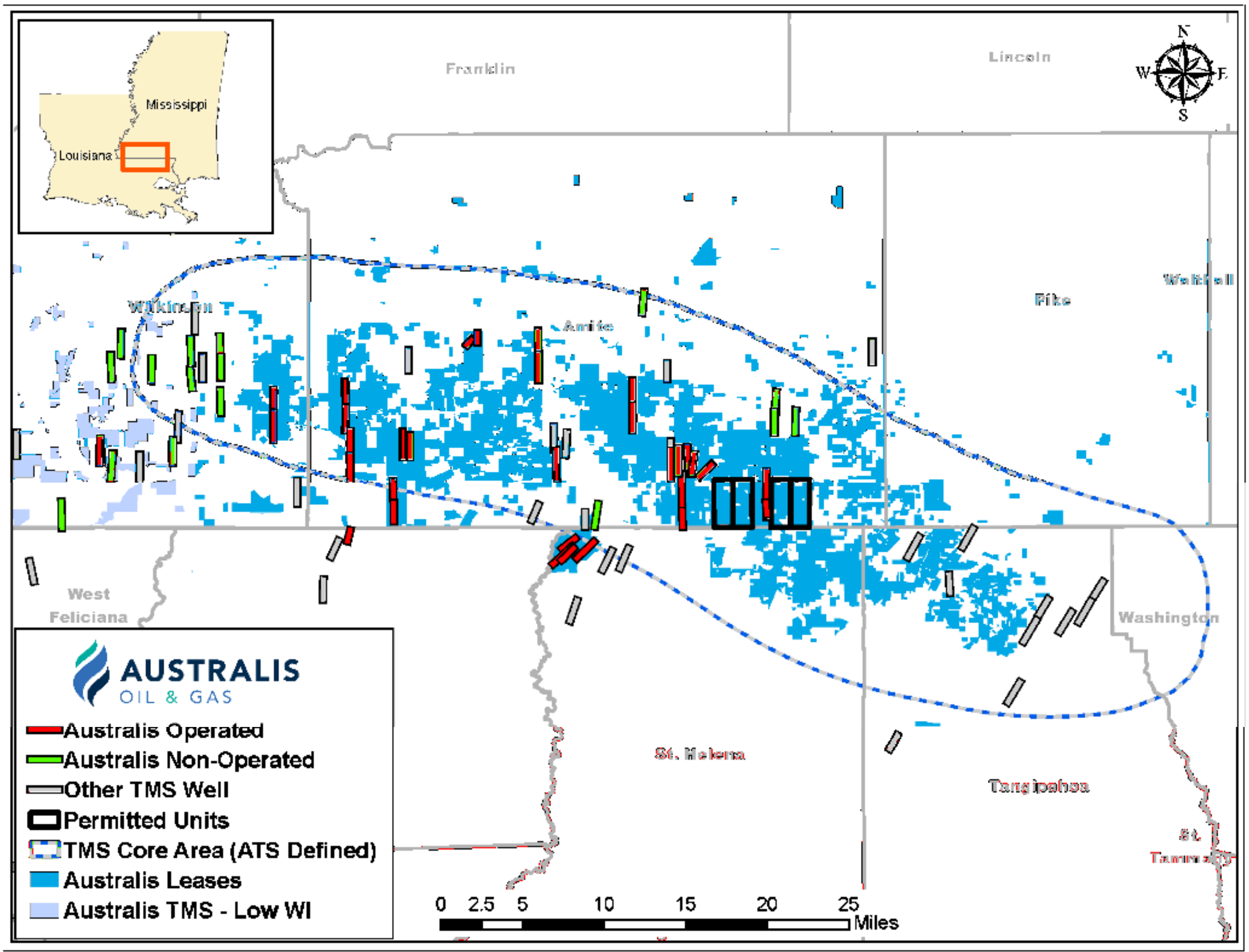


Figure 1: Overview of the TMS core area and Australis approximate lease hold position

TMS Reserves and Resources

In January 2018, Australis released its year-end reserve and resource estimates which were prepared by independent engineers at Ryder Scott Company LP which reflected the first independent assessment of the previously booked contingent resource as an economic reserve.

The total acreage position was only partially assessed due to an assumed modest drilling program over the next 5 years which conforms to the timeframes prescribed by the SPE Petroleum Management System and as required by the Australian Stock Exchange. The development program started with 1 rig in mid-2018, moved to 3 rigs in 2019 and then running 4 rigs between 2020 and 2022, which led to 126 total wells being drilled on 250 acre spacing. Economic analysis by Ryder Scott deemed all assessed well locations to be commercial. This limited drilling program only covers approximately 37% of the TMS core net acreage held by Australis. The balance of the acreage, which was assessed as contingent resources, is considered contingent only on a development plan. Australis believes that these remaining contingent resources will transfer to reserves when assessed for development, subject to prevailing oil price.

Net Reserves as at 31 December 2017[1]	MMbbl
Proved Reserves (1P)	**28.9**
Probable Reserves	17.7
Proved + Probable Reserves (2P)	**46.6**
Possible Reserves	13.6
Proved + Probable + Possible Reserves (3P)	**60.2**
Net Resources as at 31 December 2017[1]	**MMbbl**
1C Resources	8.9
2C Resources	**98.0**
3C Resources	177.8

The 1P reserve estimate includes PDP reserves from existing producing wells of 3.93 MMbbls and PDNP reserves of 0.17 MMbbls, with a combined NPV(10) of US$79.5 million[1].

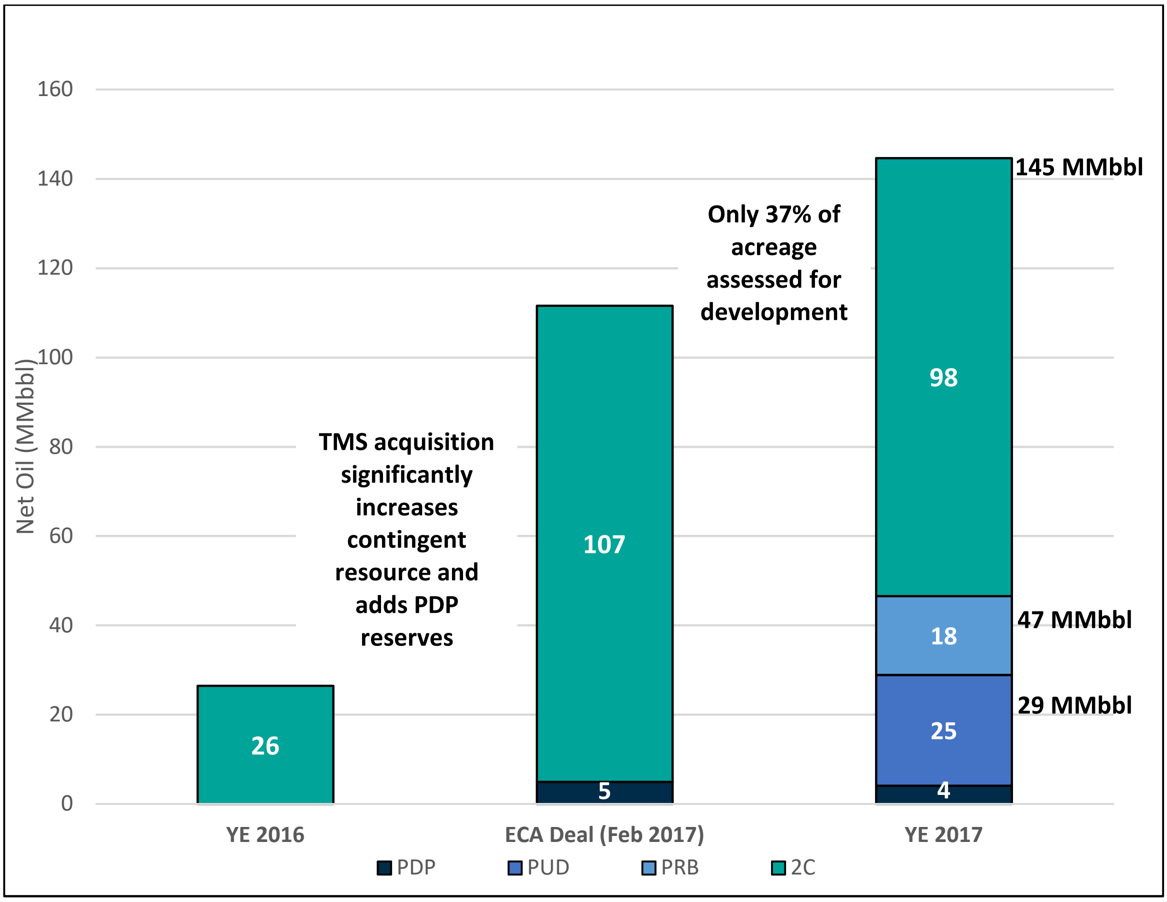


Figure 2 – Evolution of the Australis TMS Resources and Reserves[1]

Q1 2018 TMS Sales, Revenue and Field Netback

Australis achieved sales, before royalties of US$8.5 million for the quarter, with Field Netback of US$3.9 million. The average oil price achieved for the quarter was US$65/bbl.

Australis continues to benefit from the high quality of crude produced in the TMS, as well as the geographical proximity to the Gulf Coast, allowing sales of oil based on the LLS benchmark, which trades at a premium to WTI. For the 1st quarter of 2018 this premium exceeded US$4/bbl. This pricing benefit is notable compared to crude produced in the Permian, which is currently being discounted by approximately US$6/bbl to WTI. This amounts to a spread greater than US$9 between a barrel of oil produced in the TMS compared to the Permian. This discount in the Permian is primarily due to takeaway capacity limitations.

The following table summarises the oil sales and Field Netback for Q1 2018 in the TMS.

1st Quarter 2018 Results	bbls	US$ million	US$/bbl
Gross Sales (WI)	130,000	$8.5	$65
Net Sales (NRI)	105,000	$6.8	
Field Netback		$3.9	$30

Nets Sales represents gross sales after deduction of royalties. Field Netback for the 1st quarter 2018 was US$30.20/bbl (4th Quarter 2017 Field Netback: US$29.76/bbl). Note that depletion, depreciation and net hedging profits or losses are not included within Field Netback.

In March 2018 the Mississippi Governor signed into law a 5-year extension to the existing state severance tax incentive that was due to expire on 1 July 2018. The incentive reduces the severance tax paid from 6% to 1.3% for the first 30 months of production of a new well or until the well has paid out its cost of drilling, whichever occurs first. Although none of the existing wells qualify for this incentive as they have all passed one or both of the milestones, it is a welcomed additional benefit for the economics of the wells Australis intends to drill in the play over the next 5 years. The long-term perspective of the Mississippi legislature is commended.

Drilling Operations & Planning

Significant progress has been made by the subsurface, engineering and land teams in preparation for the commencement of drilling operations later in the year:

a) **Well Planning:** Initial drilling locations have been identified based on assessment of various criteria including reservoir quality, nearby well performance, working interests, surface access such as roads and power, and potential cost synergies, with an emphasis on maximising productivity performance.

b) **Peer Reviews with the previous operator, Encana:** As the culmination of a year of interaction with the planning and operations team at Encana, Australis undertook a peer review where the engineering studies carried out by Australis were presented together with the forward plans for implementation. It was a very productive discussion in which the learning curve from Encana's operations were captured and Australis' planned drilling methods reviewed.

c) **Procurement Process Underway:** Various tenders are underway and planned with suppliers and contractors for the commencement of drilling activity in the second half of 2018. A procurement process has been mapped out to allow transparency in the selection of service providers and to ensure that the goods and services that are brought to location are fit-for-purpose and provide the best value to Australis.

Early wells that Australis will drill in the play will carry the initial costs associated with surface road and power access, multi-well pad preparation and additional infrastructure costs. These costs will in due course be amortized across other wells drilled from the same pad or within the same drilling unit.

LUSITANIAN BASIN – CONVENTIONAL GAS & OIL ACREAGE ONSHORE PORTUGAL

Australis has continued to successfully apply the static reprocessing techniques to additional 2D seismic lines. This process corrects for surface distortion of data that results from the nature of the shallow formations, which has then led to much greater structural clarity of the deeper potential reservoir horizons. Success has allowed the results from this 2D reprocessing to be integrated into Australis' seismic project for mapping and contouring of key intervals. Seismic horizons of target formations have been updated and tied to existing interpretations from previously interpreted lines. Once this process is completed then the impact on appraisal and exploration targets can be evaluated.

Significant progress was made on the Environmental Impact Assessment ("EIA") in preparation for drilling. Australis submitted relevant EIA document to the Portuguese authorities who are now undertaking their initial evaluation as to whether an EIA is actually required for our planned operations. As part of this process a public consultation is underway and Australis is interacting with all relevant stakeholders in the local and federal governments.

FINANCE AND CORPORATE

At 31 March 2018 Australis cash totalled US$44.8 million with no debt. During the quarter, Australis completed a share placement of 115.28 new ordinary fully paid shares at A$0.34 to raise US$30 million (before issue costs). The placement was strongly supported by existing shareholders and new investors.

The placement has significantly strengthened Australis' balance sheet as the Company evaluates various financing alternatives, including debt, to fund the planned initial development drilling in the TMS. Negotiations for the additional financial capacity are well advanced.

Consistent with our focus on ensuring balance sheet stability, the Company continues to hedge between 40% and 60% of forecast oil production for the next 6 months, weighted to the earlier months, to protect against a fall in the oil price. The hedging undertaken to date includes a combination of LLS swaps and WTI costless collars. The following hedges were in place as at 31 March 2018:

Hedge Period	LLS Swap Volumes	Average LLS Swap Price	Costless Collar Volumes	WTI Put / Call Pricing
	bbls	***US$/bbl***	***bbls***	***US$/bbl***
April 2018	18,000	$60.73	8,000	$55 / $70
May 2018	18,000	$60.73	6,000	$55 / $70
June 2018			24,000	$55 / $70
July 2018			18,000	$55 / $70
Aug 2018			18,000	$55 / $70
Sep 2018			18,000	$55 / $70

QUARTERLY CASH FLOW REPORT FOR THE PERIOD ENDED 31 MARCH 2018

The Appendix 5B for the period ended 31 March 2018 is attached.

The Appendix 5B represents the cash flows received and paid within the quarter and includes a number of payments which were accrued and accounted for in the 2017 Annual Audited Financial Statements. In particular, within staff costs are the 2017 'at risk' remuneration payments remitted in the March quarter.

The Appendix 5B has been presented in US dollars in line with the Company's adoption on 1 January 2017 of the US dollar as its presentational currency.

-ends-

Further Information:

Ian Lusted	Graham Dowland	Shaun Duffy
Managing Director	Finance Director	FTI Consulting
Australis Oil & Gas	Australis Oil & Gas	+61 8 9485
+61 8 9220 8700	+61 8 9220 8700	

ADDITIONAL INFORMATION

TMS Background – Unconventional Oil Acreage Onshore USA

The Tuscaloosa Marine Shale is a Cretaceous shallow marine unconventional shale that is present across central Louisiana and southwest Mississippi. The play is the same geological age as the Eagle Ford Shale in South Texas and the Woodbine Shale in East Texas. It was well known through the 1980s as associated conventional sand horizons were developed through the area with vertical wells. With the advent of unconventional development activity, the TMS was explored from 2010 with localised success.

The play is deep, high pressured and oil weighted. As experienced in most unconventional plays, early results demonstrated variable production performance and relatively high well costs, driven by operational difficulties encountered whilst drilling and completing the wells. These challenges led to a modest appraisal activity level, with competing plays in the USA such as the Eagle Ford and Bakken offering lower risk development opportunities given their more advanced development. The activity that did take place however, delineated a relatively small core area of the play where production results were consistent and comparable to other, far more developed, unconventional plays. This area is shown in the blue oblong in Figure 1 and represents Australis' interpretation of the core of the TMS. Furthermore, there is a step change in well performance outside the core area which creates a relatively binary outcome. Whilst all other unconventional plays demonstrate a range of well performance, it is typically a graduated change and the step change observed in well results with in the TMS is unusual. This delineated core area only consists of approximately 450,000 acres or less than 5% of the known TMS geological setting. This relatively small area of high well performance and the step change observed throughout the rest of the play explains how the TMS developed a mixed reputation.

These circumstances and the 2014 fall in commodity price generated the opportunity for the two low cost acquisitions by Australis in the play and remain the basis for an ongoing cost effective leasing program where longer lease life is targeted together with improved commercial terms. Australis has remained very disciplined and focused only within the production delineated core of the play.

The appraisal activity by Encana and other participants in the TMS during 2013/2014 also addressed many of the operational challenges were initially experienced. Costs and performance repeatability were improving and activity levels were increasing during 2014 until this evolution in the play was interrupted by the oil price drop in late 2014. As a direct result, no drilling activity has occurred since the beginning of 2015. Consequently, none of the numerous industry improvements that have continued to drive forward the economics of other unconventional plays during this extended period of lower oil price have been applied to the TMS.

Portugal background

In September 2015 Australis was awarded two onshore exploration concessions in the Lusitanian Basin (known as the Batalha and Pombal Concessions). The concessions cover a total area of 620,000 acres, are in the exploration phase and are presently in the 3rd of an 8 year valid term. They have a modest minimal commitment work program in the first 3 years. The Concessions are shown in Figure 3 below and are located to the north of Lisbon.

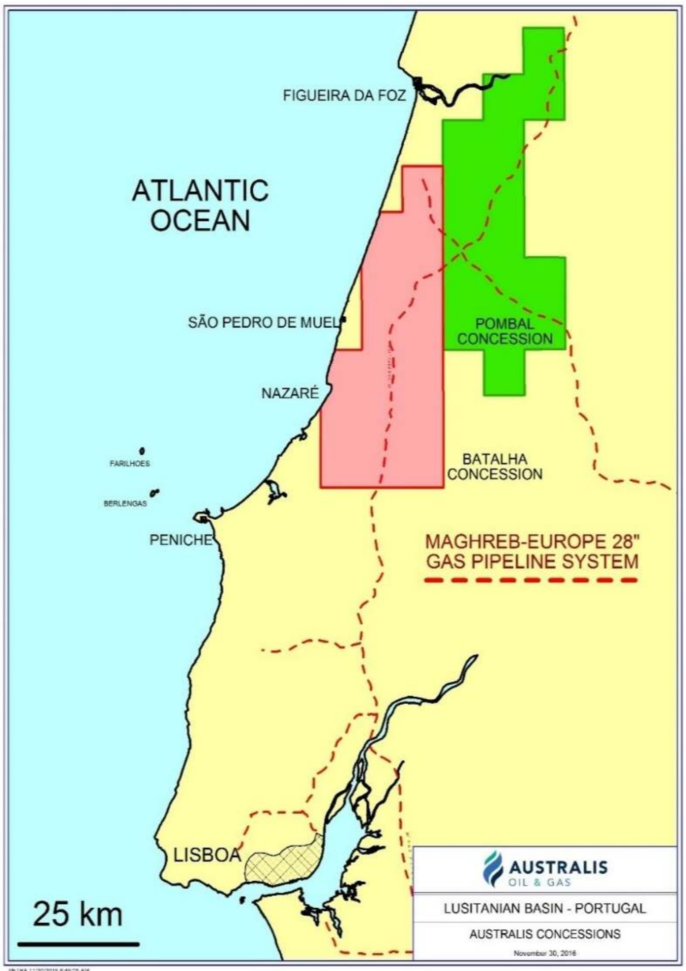


Figure 3: Overview of the Batalha and Pombal Concessions in the Lusitanian Basin

Australis has purchased from the Portuguese Government, at nominal cost, aeromagnetic data interpretation study, exploration well logs and 2D seismic lines across both concessions as well as a 3D survey that covers part of the Batalha concession. Australis activity during the first year of the concessions broadly consisted of data review and analysis of the 2D and 3D seismic[4] and other existing information relating to prior wells. This has allowed us to define a large gas discovery in the Jurassic formations and to identify likely production mechanisms that contributed to the observed 3 MMscf/d from the discovery well. Furthermore, Australis now has a preferred well design to achieve commercial flow which would allow the net 2C contingent resource of 459 Bcf[2] be reassessed as a reserve.

Based upon work carried out by Australis an update to the contingent resource associated with the two horizons was carried out at YE 2016 and this has led to a 96% increase in the estimated recoverable resource to a 2C figure of 458.5 Bcf. The full results of the contingent resource estimates from Netherland, Sewell & Associates, Inc ("NSAI")[2] are summarised in below:

Net Contingent Resource – Gas (97% WI & Post Royalties)[5]			
	Low Estimate1C (BCF)	**Best Estimate 2C (BCF)**	**High Estimate 3C (BCF)**
NSAI Resource Est – 31 Dec 2016[2]	217.4	458.5	817.7

NSAI generated their independent contingent resource estimates using a combination of deterministic and probabilistic methods. The material assumptions and technical parameters underpinning the contingent resource estimate were set out in the announcement made to the market on 25 January 2017[2].

GLOSSARY

Unit	Measure	Unit	Measure
B	Prefix – Billions	**bbl**	Barrel of oil
MM	Prefix – Millions	**boe**	Barrel of Oil equivalent (1bbl = 6 mscf)
M	Prefix – Thousands	**scf**	Standard cubic foot of gas
/d	Suffix – per day	**Bcf**	Billion cubic feet of gas

Term	Definition
TMS Core	The Australis designated productive core area of the TMS delineated by production history
Gross or WI	Company beneficial interest before royalties or burdens
Net or NRI	Company beneficial interest after royalties or burdens
C	Contingent Resources (1C/2C/3C equivalent to low/most likely/high)
NPV(10)	Net Present Value (@ discount rate)
EUR	Estimated Ultimate Recovery of a well
WTI	West Texas Intermediate oil benchmark price
LLS	Louisiana Light Sweet oil benchmark price
D, C&T	Drill, Complete and Tie - in
2D/3D	2 and 3 dimensional seismic surveys
Opex	Operating Expenditure
HBP	Held by production – within a formed unit a producing well meets all lease obligations within that unit. Primary term remains valid whilst well is on production.
PRB	Probable Reserve or 2P Reserves
PDP	Proved Developed Producing Reserves
PDNP	Proved Developed Not Producing Reserves
PUD	Proved Undeveloped Reserves
Net Acres	Working Interest before deduction of royalties or burdens
Field Netback	Oil and gas sales net of royalties, production and state taxes, field based production expenses but excludes depletion, depreciation and hedging gains or losses

Notes

1. The most recent TMS estimates have been taken from the independent Ryder Scott report, effective 31 December 2017 and announced on 30 January 2018 titled 'Reserve and Resource Update – Year end 2017'. The report was prepared in accordance with the definitions and disclosure guidelines contained in the Society of Petroleum Engineers (SPE), World Petroleum Council (WPC), American Association of Petroleum Geologists (AAPG), and Society of Petroleum Evaluation Engineers (SPEE) Petroleum Resources Management (SPE-PRMS). Ryder Scott generated their independent reserve and contingent resource estimates using a deterministic method. The Company is not aware of any new information or data that materially affects the information included in the referenced market announcement and that all material assumptions and technical parameters underpinning the estimates in the referenced market announcement continue to apply and have not materially changed.
2. The Portugal Concession estimates have been taken from the independent Netherland, Sewell & Associates report, effective 31 December 2016 and announced on 25 January 2017 titled '2016 Year End Resource Update'. The report was prepared in accordance with the definitions and disclosure guidelines contained in the Society of Petroleum Engineers (SPE), World Petroleum Council (WPC), American Association of Petroleum Geologists (AAPG), and Society of Petroleum Evaluation Engineers (SPEE) Petroleum Resources Management (SPE-PRMS). The Company is not aware of any new information or data that materially affects the information included in the referenced market announcement and that all material assumptions and technical parameters underpinning the estimates in the referenced market announcement continue to apply and have not materially changed.
3. The deterministic method is based on qualitative assessment of relative uncertainty using consistent interpretation guidelines. The independent engineers using a deterministic incremental (risk-based) approach estimates the quantities at each level of uncertainty discretely and separately.
4. Aljubarrota 3D Seismic Survey – 160 km2 acquired December 2010 to March 2011 under permit issued by the Portuguese Divisao para a Pesquisa e Exploracao do Petroleo ("DPEP").
5. Australis holds a 100% working interest in the Batalha and Pombal Concessions, however this interest is subject to a 3% working interest option granted to a contractor and the Net estimates provided by NSAI are prepared with the assumption that this option has been exercised. The Net estimates provided by NSAI also make an allowance for royalties payable to the Portuguese government. The actual royalties payable by Australis are detailed in Article 51 of Decree Law nr 109/94 of the 26th April,1994 and Article 19.2 of each concession contract. For oil there is a staged royalty of between 0 and 9% based on produced volumes and for gas there is a similar staged royalty of between 3 and 8% again based on produced volumes. As there is not a development plan and an associated production profile for either the contingent or prospective resource estimates, the royalty rate has been assumed to be 8 and 9% respectively.
6. Single well economic assumptions as detailed in Australis Oil & Gas Limited Investor Presentation released on the ASX on 30 January 2018 (see appendix for detailed assumptions) is based on a well cost estimate of US$11 million supported by cost estimates received as at December 2017 from service providers for the drilling and completion of a 7,500ft horizontal well. The NPV(10) analysis is calculated pre corporate tax.

Non-IFRS Financial Measures

References are made within this report to certain financial measures that do not have a standardised meaning prescribed by International Financial Reporting Standards (IFRS). Such measures are neither required by, nor calculated in accordance with IFRS, and therefore are considered Non–IFRS financial measures. Non-IFRS financial measures may not be comparable with the calculation of similar measures by other companies. Field Netback, as defined within the Glossary, is a Non-IFRS financial measure commonly used in the oil and gas industry.

Forward Looking Statements

This document may include forward looking statements. Forward looking statements include, but are not necessarily limited to, statements concerning Australis' planned operation program and other statements that are not historic facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward looking statements. Although Australis believes its expectations reflected in these statements are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward-looking statements.

+Rule 5.5

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96. Origin Appendix 8. Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

AUSTRALIS OIL AND GAS LIMITED

ABN	**Quarter ended ("current quarter")**
34 609 262 937	31 March 2018

Consolidated statement of cash flows		**Current quarter $USD'000**	**Year to date (3 months) $USD'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	8,616	8,616
1.2	Payments for		
	(a) exploration & evaluation	(266)	(266)
	(b) development	-	-
	(c) production	(4,622)	(4,622)
	(d) staff costs		
	- corporate costs	(1,704)	(1,704)
	- operational	(417)	(417)
	(e) administration and corporate costs		
	- corporate costs	(506)	(506)
	- operational	(165)	(165)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Research and development refunds	-	-
1.8	Other (provide details if material)		
	Financial Advisor Fees	-	-
1.9	**Net cash from / (used in) operating activities**	**936**	**936**

Consolidated statement of cash flows		Current quarter $USD'000	Year to date (3 months) $USD'000
2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(401)	(401)
	(b) land leases (see item 10)	(1,479)	(1,479)
	(c) investments	-	-
	(d) (lodgement) / redemption of security deposits	-	-
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	19	19
2.6	**Net cash (used in) / from investing activities**	**(1,861)**	**(1,861)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of shares	30,647	30,647
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	(1,316)	(1,316)
3.5	Purchase of treasury shares	(59)	(59)
3.6	Proceeds from borrowings	-	-
3.7	Repayment of borrowings	-	-
3.8	Transaction costs related to loans and borrowings	-	-
3.9	Dividends paid	-	-
3.10	(Lodgement) / redemption of hedge deposits	-	-
3.11	**Net cash (used in) / from financing activities**	**29,272**	**29,272**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	16,602	16,602
4.2	Net cash from / (used in) operating activities (item 1.9 above)	936	936
4.3	Net (used in) / from investing activities (item 2.6 above)	(1,861)	(1,861)
4.4	Net cash (used in) / from financing activities (item 3.11 above)	29,272	29,272
4.5	Effect of movement in exchange rates on cash held	(154)	(154)
4.6	**Cash and cash equivalents at end of period**	**44,795**	**44,795**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $USD'000**	**Previous quarter $USD'000**
5.1	Bank balances	44,795	16,602
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (Work Program Guarantee)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**44,795**	**16,602**

6.	**Payments to directors of the entity and their associates**	**Current quarter $USD'000**
6.1	Aggregate amount of payments to these parties included in item 1.2	525
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Non-Executive and Executive Director salaries and fees.

7.	**Payments to related entities of the entity and their associates**	**Current quarter $USD'000**
7.1	Aggregate amount of payments to these parties included in item 1.2	-
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

N/A

8.	**Financing facilities available** *Add notes as necessary for an understanding of the position*	**Total facility amount at quarter end $USD'000**	**Amount drawn at quarter end $USD'000**
8.1	Loan facilities	-	-
8.2	Credit standby arrangements	-	-
8.3	Other (please specify)	-	-

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

N/A

9.	**Estimated cash outflows for next quarter**	**$USD'000**
9.1	Exploration and evaluation	
	- operations	(117)
9.2	Capital expenditure	(2,356)
9.3	Production (sales less direct field expenses & taxes)	3,851
9.4	Staff costs	
	- corporate costs	(1,187)
	- operational	(449)
9.5	Administration & Corporate – head office based	
	- corporate costs	(407)
	- operational	(89)
9.6	Other - IT and transitional arrangements	(25)
9.7	**Total estimated net cash outflows**	**(779)**

10.	**Changes in tenements (items 2.1(b) and 2.2(b) above)**	**Tenement reference and location**	**Nature of interest**	**Interest at beginning of quarter**	**Interest at end of quarter**
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2	Interests in mining tenements and petroleum tenements acquired or increased	Tuscaloosa Marine Shale USA	Working Interest holder	95,000 net acres	95,000 net acres
		Batalha–Onshore Portugal	100% working interest holder in concession	307,480 acres	307,480 acres
		Pombal–Onshore Portugal	100% working interest holder in concession	312,866 acres	312,866 acres

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Sign here: .... Date: 30 April 2018
(~~Director~~/Company secretary)

Print name: Julie Foster

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.